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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/747,535	12/21/2000	Hanh Kim Le	AUS920000742US1	2079
7590	01/07/2004		EXAMINER	
Duke W. Yee Carstens, Yee & Cahoon, LLP P.O. Box 802334 Dallas, TX 75380			HAQ, NAEEM U	
			ART UNIT	PAPER NUMBER
			3625	

DATE MAILED: 01/07/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

Application No.

09/747,535

Applicant(s)

LE ET AL.

Examiner

Naeem Haq

Art Unit

3625

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 21 December 2000.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-12 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-12 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. §§ 119 and 120

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All b) ☐ Some \* c) ☐ None of:  
1. ☐ Certified copies of the priority documents have been received.  
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).  
\* See the attached detailed Office action for a list of the certified copies not received.
- 13) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application) since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.  
a) ☐ The translation of the foreign language provisional application has been received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121 since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.

### Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) 4.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_

## DETAILED ACTION

### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-4 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. These claims are not within the technological arts. *The claimed invention must utilize technology in a non-trivial manner (Ex parte Bowman, 61 USPQ2d, 1665,1671 (Bd. Pat. App. & Inter. 2001))*. Although Bowman is not precedential, it has been cited for its analysis.

### ***Claim Rejections - 35 USC § 112***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 2-4 and 10-12 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. These claims further limit the step of generating an off-increment bid by reciting "generating a proposed bid, said proposed bid being equal to said minimum increment plus a current high bid..." However, the Applicants' specification teaches, "An off-increment bid is bid which increases the current high bid by an amount which is **not** an increment of the minimum increment

Art Unit: 3625

amount.” (emphasis added) (page 3, lines 2-4). Therefore, it is unclear to the Examiner how the Applicants can further limit the off-increment bid as a function of the minimum increment when the specification clearly teaches against it. For this reason, these claims are rendered indefinite, and an art rejection has been withheld pending clarification of the 112 rejection.

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

**Claims 1 and 5-9 are rejected under 35 U.S.C. 103(a) as being unpatentable over Fisher et al. (US 6,243,691 B1).**

Referring to claims 1, 5, and 9, Fisher teaches a method and system for generating proxy bids in an electronic auction comprising:

- specifying a minimum increment for bidding on an item (Figure 2);
- receiving a bid for said item from a first bidder which is currently a high bid for said item (Figure 2);
- identifying a previously recorded proxy bid from a bidder (column 8, line 56 – column 9, line 6).

Fisher does not teach that the proxy bid from a second bidder is greater than the current high bid but not greater than said current high bid plus said minimum increment.

Art Unit: 3625

However, Fisher teaches that a plurality of bidders are allowed to establish the limit amount of their proxy bids when the bids are initially placed (column 8, lines 56-60). Therefore it would have been obvious to one of ordinary skill in the art, at the time the invention was made, to allow a bidder to set the limit of the proxy bid to whatever amount the bidder desired. One of ordinary skill in the art would have been motivated to do so in order to allow the bidder to place a bid that he or she felt was competitive. Fisher does not teach generating an off-increment bid which becomes a high bid for said item utilizing said proxy bid, wherein said second bidder holds a current high bid for said item, further wherein said off-increment bid does not increase said bid received from said first bidder by said increment, and wherein said off-increment bid does not exceed said proxy bid. However, Fisher teaches that during proxy bidding a bid may be incremented based on the percentage of the bid (column 12, lines 33-45). Therefore it would have been obvious to one of ordinary skill in the art, at the time the invention was made, to adjust a bid upward by using a percentage of the bid as opposed to a minimum increment. One of ordinary skill in the art would have been motivated to do so in order to guarantee a proxy bidder the lowest possible price, as taught by Fisher (column 12, lines 58-61).

Referring to claims 6 and 7, these claims recite comparing a proposed bid to a proxy bid wherein the proposed bid is equal to a minimum increment plus a current high bid. These claims go on to recite that if proposed bid exceeds the proxy bid then awarding an item to a second bidder for the proxy bid, and if the proposed bid does not exceed the proxy bid then awarding the item to the second bidder for the proposed bid.

Art Unit: 3625

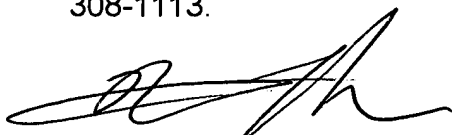
However, these limitations are inherent in Fisher. Fisher teaches a system and method for conducting proxy bidding for a plurality of bidders. Proxy bidding is inherently designed to allow a bidder to obtain an item for the best possible price up to the proxy bid limit. Therefore, if an auction bid reaches a proxy limit and that bidder has the highest bid then the bidder wins the auction for the proxy bid. However, if the bidder's bid is below the proxy bid and that bidder has the highest bid then the bidder wins the auction for the proposed bid.

### ***Conclusion***

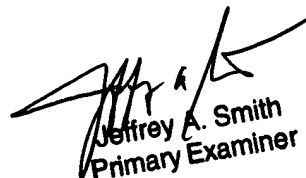
Any inquiry concerning this communication or earlier communications from the examiner should be directed to Naeem Haq whose telephone number is (703)-305-3930. The examiner can normally be reached on M-F 8:00am-5:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jeff A. Smith can be reached on (703)-308-3588. The fax phone number for the organization where this application or proceeding is assigned is (703)-872-9306.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703)-308-1113.



**Naeem Haq**, Patent Examiner  
Art Unit 3625



**Jeffrey A. Smith**  
Primary Examiner

December 29, 2003